

EXECUTIVE SUMMARY

Issuance of this document initiates the start of Phase II of the Systems Acquisition and Management Support (SAMS) complex initiative. Details of the Air Force source selection process for this project are provided as Appendix D.

As discussed in the initial request for proposals, the Space and Missiles Systems Center (SMC) at Los Angeles Air Force Base (LAAFB), CA is considering the conveyance of a large portion of the LAAFB's existing real property in exchange for build-to-suit completion of new facilities on a portion of the LAAFB remaining property or alternatively on property near the base. The existing properties at LAAFB total approximately 113 acres and are located in El Segundo, Hawthorne and Sun Valley, California. The two properties in El Segundo, referred to as Areas A and B (96 acres) and the Hawthorne holdings, Lawndale Annex, (13 acres) are well located near the junction of Interstates 105 and 405, in a sub market with few large blocks of ground currently available. They offer most promising prospects for long-term growth. The intent is to convey the Area A, Hawthorne, and Sun Valley holdings to a developer who will build new facilities on/nearby Area B.

The Air Force expects that over 2 million SF of private office, hotel, retail space and parking could be built at Area A and Lawndale Annex. These developments could be built at a floor area ratio well below what is permitted by local governments. By using this approach, and in cooperation with the two local governments affected - the cities of El Segundo (Area A) and Hawthorne (Lawndale Annex) - some of the tax revenues generated by the private developments will be used to support financing mechanisms that could also significantly aid in closing any gap between the cost of providing the Air Force's new facilities and the value of the land conveyed by the Air Force to the selected developer. In summary, the Air Force expects a private developer will be able to maximize development without breaching local government regulations and generate financial returns sufficient to meet the project objectives. The local governments of El Segundo and Hawthorne are enthusiastic about the positive impact this project will have on their respective communities. Offerors are encouraged to contact the planning offices of both cities.

While the authorizing legislation allows the possibility for the Air Force to lease back the new facilities, **funding for the SAMS project is not currently available; neither has it been programmed in the Air Force budget. As indicated in the evaluation criteria, any requirement for funding, in addition to the land to be conveyed, is unattractive from a budgetary perspective.**

In addition, Offerors are reminded that the Air Force will not reimburse any proposal preparation costs for any reason.

Proposal submittals are due not later than 3:00 p.m. on 25 Mar 02. CAUTION: Refer to Appendix B of the RFP for important timeliness requirements, notices and proposal instructions. Offerors are cautioned to examine the complete solicitation package including all appendices.

Questions concerning the RFP shall be directed to Ann Justice, Business Representative, (310) 363-0832, or Lt Col Aaron Bridgewater, Program Manager, (310) 363-2481. E-mail address smcxpx@losangeles.af.mil